GOVERNMENT OF INDIA
COMMUNICATIONS AND INFORMATION TECHNOLOGY
LOK SABHA

UNSTARRED QUESTION NO:635
ANSWERED ON:02.12.2015
Promotion of BPOs
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Will the Minister of COMMUNICATIONS AND INFORMATION TECHNOLOGY be pleased to state:

(a) whether the Government has launched India Business Process Outsourcing (BPO) Promotion Scheme and if so, the details thereof;
(b) whether the Government plans to expand the BPO industry to non-metro and rural areas, if so, the details thereof;
(c) whether BPO industry has expressed their apprehension in expanding to non-metro and rural areas;
(d) if so, the details thereof and the reasons therefor; and
(e) the steps taken/proposed to be taken to address the issue?

Answer

(a) and (b): The Government has approved India BPO Promotion Scheme (IBPS) for promotion of BPO/ITES operations across the country including small towns and rural areas, with an outlay of about Rs.493 crores during the remaining period of 12th Five Year Plan i.e., upto 31.03.2017, for balanced growth of Information Technology & Information Technology Enabled Services (IT/ITES) sector in each State. About 48300 seats have been planned with distribution across State(s)/UT(s) based on population percentage as per Census 2011, excluding metro cities viz. Bangalore, Chennai, Hyderabad, Kolkata, Mumbai, NCR (Delhi, Gurgaon, Noida, Faridabad), and Pune and States of North East Region (NER). A separate scheme namely North East BPO Promotion Scheme (NEBPS) is already launched for the States of NER. The IBPS involves 2 stage approach: 1. Expression of Interest 2. Open bidding through Request for Proposal (RFP). The first stage, the Expression of Interest (EOI) was completed on 31st August 2015 which has received encouraging response.

The RFP for IBPS would inter-alia, lay down the appropriate guidelines in regard to eligibility, nature of support to the Industry and other related aspects. This Scheme would be operationalized, after obtaining necessary approvals of the Competent Authority.

(c) to (e): In the EOI stage, 78 companies have shown interest to setup BPO/ITES operations at 190 locations across the country for about 1,25,000 seats against the projected 48,300 seats. Thus, prima facie, there is no apprehension evinced by the BPO industry for expansion in non-metro and rural areas.
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